

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

United States Patent No. 5,784,808

Issued: 28 July 1998

Inventor: Stan Hockerson, a U.S. citizen, of Albuquerque, NM

Assignee: HOCKERSON-HALBERSTADT, INC. (a Louisiana corporation)

FOR: "Independent impact suspension athletic shoe"

ATTORNEY DOCKET NO.: A09027US (99413.1)

**Declaration of John P. Halberstadt**

I am the secretary/treasurer of the assignee of the above-referenced patent.

I was christened Johan Philip Halberstadt as a baby in South Africa, but my U.S. passport is in the name of John Philip Halberstadt. My earlier U.S. patents list me as Johan P. Halberstadt, while my latest patent application lists me as John P. Halberstadt.

Stan Hockerson and I have been partners in business since around 1991, when we formed Hockerson-Halberstadt, Inc. We together have seven issued patents (some in my name, some in Stan's name, and some assigned to Hockerson-Halberstadt, Inc., as detailed in the table set out below). We have always paid the maintenance fees in these patents. Since around 1991 Richard Backus has handled our patent work. Richard Backus has always timely sent us reminders of the maintenance fees due (except for the second maintenance fee due in United States Patent No. 5,784,808). We have issued over 70 licenses of our patent rights, and we have received millions of dollars licensing our patent rights. We would never knowingly allow one of our patents to lapse for failure to pay a maintenance fee.

Hockerson-Halberstadt, Inc. (the assignee of United States Patent No. 5,784,808), Stan Hockerson, and I treated this patent, and all of our patents, as a reasonable and prudent person

would treat his or her most important business. The patents are in fact our most important business. All of HHI's income is from patent royalties, and in some past years I made more money in royalty income from HHI than from my other business ventures. (I am the majority share holder in a small chain of successful specialty running stores based in Boulder, Colorado, consistently rated as being among the best in the nation (USA Store of the Year 2006)).

I understood that Richard Backus would send us a reminder regarding future maintenance fees, as Richard Backus has represented us in patent matters since around 1991 (he has handled patents, a reexamination proceeding, and an appeal in the Court of Appeals for the Federal Circuit related to Hockerson-Halberstadt, Inc. patents). He has obtained several patents for me and Stan Hockerson, and he has handled the maintenance fees for me, Stan Hockerson, and Hockerson-Halberstadt, Inc. In the over 17 years since Richard Backus first represented us, he has always timely informed us or reminded us of deadlines, except for renewal reminders in relation to the 8-year maintenance fee of United States Patent No. 5,784,808 (and, as I have recently learned, an annuity due in a European patent application of HHI, where it appears that Mr. Backus did not receive copies of correspondence from British patent counsel regarding the annuity). That annuity has now been paid and the payment has been accepted.

Unfortunately, we never received any renewal reminders in relation to the 8-year maintenance fee of United States Patent No. 5,784,808 from Richard Backus.

I have since learned (on or about 18 November 2008, when I received an answer to a complaint in a lawsuit filed by Hockerson-Halberstadt, Inc. and Standon LLC against New

Balance Athletic Shoe, Inc. asserting infringement of United States Patent No. 5,784,808) that the above-referenced patent lapsed on 28 July 2006 for failure to pay the 8-year maintenance fee.

Patent attorneys have been engaged on behalf of Hockerson-Halberstadt, Inc. to investigate what happened and whether the patent could be revived. After much investigation it appears that the reason we did not receive a renewal reminder is that there was a docketing error which caused reminders about United States Patent No. 5,784,808 to be removed from Richard Backus's docket system, apparently sometime after the payment of the first maintenance fee in that patent.

We did not deliberately allow United States Patent No. 5,784,808 to lapse. The lapsing of United States Patent No. 5,784,808 was unintentional and unavoidable. We understood that Richard Backus, who we had engaged to handle our patent matters and as of 28 July 2006 had represented us for about 15 years in patent matters, would timely remind us of due dates for the 8-year and 12-year maintenance fees in United States Patent No. 5,784,808, as he had for the 4-year maintenance fee.

We did not deliberately delay in paying the 8-year maintenance fee. Since we learned of the failure to timely pay the fee, we have worked to determine whether the fee could be paid late and what steps must be taken to pay the fee late. We would like for the 8-year maintenance fee to be accepted at this time.

With regards to this matter, Stan Hockerson has handled most of it on our behalf. We communicate regularly by phone at least once, usually twice, a week and he has kept me in the

loop via additional telephone calls whenever there has been news or a new development. In addition, I have been copied on communications from attorneys to Stan Hockerson concerning the case. I have also corresponded directly with our attorneys.

On or about 21 November 2008, I went online to the USPTO website to see if I could personally ascertain the status of United States Patent No. 5,784,808. I was able to confirm that it had apparently lapsed.

At the same time I was also able to obtain information concerning maintenance fees and possible reinstatement procedures.

When going through accounting records on or around 8 December 2008, I found a payment to Richard Backus dated 4/2/05 that seemed to be applicable.

On or about 10 December 2008, I managed to obtain a copy of the check (attached hereto as Exhibit A) from the bank and e-mailed it to Don Nauman (one of our attorneys) and Stan Hockerson. It later turned out to be for the maintenance fee for my U.S. Patent No. 5,678,327, which was correctly submitted to the USPTO by Richard Backus on my behalf. This took place around about the same time period that I understand Mr. Backus would have had to submit maintenance fees for Stan Hockerson's United States Patent No. 5,784,808 (which indicates to me Mr. Backus's normal diligence in these matters).

In the interim period Stan Hockerson did the legwork with our attorneys regarding seeking reinstatement.

Stan Hockerson and I had a very good business relationship and friendship with Mr.

Backus over many years. He did an outstanding job for us and we felt we could always rely on his professionalism, competence and diligence ... there was only this one glitch (the failure to pay the second maintenance fee in United States Patent No. 5,784,808).

We had no reason to believe that there was anything amiss about the patent and thus had no reason to inquire into whether the second maintenance fee was paid - Richard Backus had already timely reminded HHI, me, and Stan Hockerson about and timely paid over 10 maintenance fees in many patents. I had no reason to believe that he would not do so for all of our maintenance fees.

Once we realized that the second maintenance fee was not paid, and that the exact circumstances of why the fee was not paid were unclear, we transferred responsibility of docketing of my maintenance fees to another patent attorney.

It is respectfully submitted that HHI and I had no reason to make inquiry into the status of the patent. It is respectfully submitted that we had no reason to question Mr. Backus's docketing abilities, as for 30 years he had timely notified Stan Hockerson, then HHI and I, of deadlines while handling our patent matters, and never before this has a deadline been missed. In particular, Mr. Backus was the patent attorney who obtained US Patent No. 4,322,895 for Stan Hockerson, and maintained the patent until it expired in 1999 at the end of its 20 year from filing term. In about 1991 Mr. Backus took over maintenance of US Patent No. 4,259,792 when it was assigned to HHI, and maintained the patent until it expired in 1999 at the end of its 20 year from filing term.

Declaration of John P. Halberstadt  
United States Patent No. 5,784,808  
April 27, 2009  
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I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code and that such willful false statements may jeopardize the validity of the patent.

/John P. Halberstadt/

4/27/2009

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\_\_\_\_\_  
Date

**Patents of Stan Hockerson and Johan Halberstadt (with current status):**

<b>GSNN Ref. No. Application No. Filing Date Inventor (Assignee of record)</b>	<b>Patent No. Issue Date Expiration Date</b>	<b>Title Publication No.</b>	<b>Maintenance fees/ due</b>
99413.5 10/909,972 3 August 2004 Stan Hockerson	7,111,415 26 September 2006 17 February 2024	Athletic shoe frame  US 2005/0198863	26 March 2010, 2014, 2018 CIP of 10/714,546, filed 14 November 2003 Term ext by 93 days
99413.4 09/402,746 12 October 1999 Stan Hockerson, Thomas C. Lynch	6,273,827 14 August 2001 12 October 2021	Golf putter head	14 Feb. 2005 (paid 14 Feb. 2005), 2009 (paid 13 Feb. 2009), 2013
99413.3 09/308,050 11 May 1999 Stan Hockerson	6,145,221 14 November 2000 11 May 2019	Cleated athletic shoe	14 May 2004 (paid 14 Jan 2004), 2008 (paid 12 Dec 2007), 2012

99413.1 08/714,964 17 September 1996 Stan Hockerson (Hockerson- Halberstadt, Inc.)	5,784,808 28 July 1998 1 March 2013	Independent impact suspension athletic shoe	(currently lapsed - working on reviving) 28 January 2002 (paid 18 Jan 2002), 2006 (not paid), 2010  fee was due 28 July 2006 with 6 month grace period - next due 28 January 2010  Cont of 400,336, filed 8 March 1995; which is a CIP of 259,744, filed 14 June 1994; which is a Cont of 24,601, filed 1 March 1993
99413.2 08/524,726 6 September 1995 Johan Halberstadt	5,678,327 21 October 1997 21 July 2014	Shoe with gait- adapting cushioning mechanism	All Mfees paid 21 April 2001 (paid 16 May 2001), 2005 (paid 7 April 2005), 2009 (paid 16 Feb. 2009)  CIP of 260,718, filed 21 July 1994
99413.1 06/101,708 10 December 1979 Stan Hockerson (Hockerson- Halberstadt, Inc.)	4,322,895 6 April 1982 10 December 1999	Stabilized athletic shoe	expired (all Mfees paid)



Declaration of John P. Halberstadt  
United States Patent No. 5,784,808  
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99413.1 06/061,427 27 July 1979 Johan Halberstadt (Hockerson- Halberstadt, Inc.)	4,259,792 7 April 1981 27 July 1999	Article of outer footwear	expired (all Mfees paid)
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Exhibit A - Halberstadt Declaration

HEART AND SOLE USA LLC  
1707 HEMLOCK WAY  
BROOMFIELD, CO 80020

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82-600/1070

4/2/05

Pay to the order of Richard E. Backus \$ 1,350.00

One thousand three hundred fifty only / Dollars

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By the Clerk of the Court  
J. W. OFFICE OF MICHAEL L. MOORE  
by Richard E. Backus